

**VALUE PARTNERS GROUP LTD:  
IS THIS A RUDE AWAKENING  
FOR MINORITY SHAREHOLDERS ?**

How much of a shock it was to right-minded investors, locked into the Issued and Fully Paid-Up Share Capital Value Partners Group Ltd () (Code: 806, Main Board, The Stock Exchange of Hongkong Ltd), **TARGET** () is unlikely, ever, to know, but on scanning the Interim Report of this asset-management company, it should have been a rude awakening, to say the least.

On July 8, 2016, Value Partners published a '**PROFIT WARNING**', stating, among other things, that '*Consolidated profit attributable to owners of the Company is expected to be no more than HK\$5 million for the six months ended 30 June 2016 (unaudited estimate), compared with a profit of HK\$445.7 million in the same period last year.*'

On August 16, 2016, Value Partners published its Interim Report in respect of the six months, ended June 30, 2016.

On the Page, following the cover of this Report, one reads:

*'Value Partners Group is one of Asia's largest independent asset management firms that seeks to offer world-class investment services and products. Assets under management of the firm stood at US\$13.3 billion as of 30 June 2016.'*

At Page Three of the Interim Report, one is given the rather sad state of affairs with regard to the first half of the Current Financial Year:

	For The Six Months, Ended June 30		Percentage Change
	2016	2015	
	All Figures Are Denominated In \$HK'million (except where otherwise stipulated)		
Total Revenue	729.60	924.80	(21.10)
Gross Management Fees	529.20	548.80	(3.60)
Gross Performance Fees	5.20	229.20	(97.70)
Operating Profit (Before Other Gains/Losses)	110.40	361.70	(69.50)
Profit Attributable To Owners of the Company	5.00	445.70	(98.90)

Basic Earnings Per Share (in Hongkong Cents)	0.30	24.20	(98.80)
Assets Under Management (AUM)	\$US13,330	\$US15,576	(14.40)
Assets Under Management (AUM)	\$US13,330	\$US15,576	(14.40)

Mr Timothy Tse Wai Ming (), the Chief Executive Officer and Executive Director of Value Partners, in his Report with regard to the Company's performance, during the first six months of this Financial Year, said, inter alia:

*'In terms of the Group's treasury operations (which include seed capital investments, investments in its own funds and other investments), a net fair value loss of HK\$87 million was recorded during the period, compared to a gain of HK\$126 million a year earlier. In early August, the net fair value loss was substantially reduced to about HK\$30 million on the back of further enhancement in investment and fund performance...'*

*'In the 23 years of history of Value Partners, we have experienced many market ups and downs. This is not the first time we face a challenging environment, and we have emerged stronger each time. Today's market setbacks are temporary. We will not compromise our commitment to delivering long-term value for our investors and shareholders...'*

In ... [CLICK TO ORDER FULL ARTICLE](#)

***While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com). TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*